

DELAWARE MANUFACTURED HOME RELOCATION AUTHORITY
1979 S. State Street
Dover, DE 19901

Pursuant to 29 Del. Code 10004, the Board of Directors of the Delaware Manufactured Home Relocation Authority shall convene a Board Meeting on **March 30, 2023**, commencing at **1:30 P.M.** at 1979 S. State Street, Dover, DE

Minutes of the March 30, 2023 Board Meeting

IN-ATTENDANCE:

Authority: Mitch Crane
William Dunn
Andy Strine (Absent)
George Meldrum
Richard Hrycyshyn
Patrick Malone (Non-Voting Member)

Gregory Sutton (Executive Director)
Jane Sabo (Assistant to the Executive Director)

Legal Counsel: Melissa Rhoads

Other: Jen Allen, FSMHA Donald & Carolyn Fahs – Pine Haven
Lynda Lucido – Pine Haven Joseph B. Neutzling, Esq.
Elizabeth Schwalve - Pine Haven Erika Tross, Esq.
Kathy Barr -Pine Haven John Whitelaw, Esq. - DECLASI
Joy Kaiser – Pine Haven Erin Brumley – Pine Haven
Scott Butler – Pine Haven Terry & Sam Saunders – Donovan Smith

I. Call to Order – 1:30 P.M.

Mr. Crane called the meeting to order at 1:30 p.m. With the exception of Mr. Strine, all members were present. There was a quorum.

II. Review and Approval of Minutes:

A motion was made and seconded to approve the March 2, 2023 meeting minutes. The motion carried 4-0. The minutes will be posted on the DEMHRA website.

III. Chair's Report:

- Since there was a large contingent in attendance from Pine Haven, Mr. Crane modified the agenda to allow for public comments earlier than it appears on the agenda.
- HB 61, the bill to allow \$100.00 compensation to five (5) of the board members for each meeting attended was passed by the House and Senate committees and would be sent to the Governor for his signature.
- Mr. Crane stated that at the conclusion of this meeting, the Board would be going into executive session to discuss legal matters. He further stated that any items requiring action would be delayed for a vote until the next public meeting. A motion was made and seconded to convene and enter into executive session at the conclusion of this board Meeting. The motion carried 4-0.

IV. Executive Director's Report:

- Mr. Sutton had a telephone conference with Mr. Brian Eng from Department of Justice (DOJ), and Mr. Bill Kinnick from DMHOA to discuss the feasibility of bringing back the Manufactured Housing Workshop (Road Show). Past presenters at those workshops included the DOJ, DEMHRA, DMHOA, DNREC, and the Delaware State Police. Although past meetings were informative, the attendance was marginal. It was recommended that future meetings be tailored to specific issues from residents to have a more robust conversation and that they be held in a central location versus being held in every county.
- Mr. Crane added that nothing prohibited DEMHRA from also doing something similar on our own as it was important that homeowners understood what their rights were as well as the roles of each agency.
- Since July 1, 2022, DEMHRA has had to certify all rent increase requests. If the rent increase exceeds the CPI-U, the rent increase will not be certified. Therefore, it has not been necessary for homeowners to petition for an arbitrator due to a rent increase.

V. Legal Counsel Report:

- Bon Ayre and Changing Fates were referred for possible initial legal action. Bon Ayre responded to the demand letter indicating that the person who handles assessment payments was out of the office. Changing Fates was issued a demand letter and there was no response.
- Demand letters have been drafted and ready to send to Hecker Properties, Sussex Manor, and Kamm Properties.
- Other entities that have been sent demand letters but no suit has been filed are: Minquadale (attorney working on making payments); County Seat Gardens (owner has attempted to comply but checks bounced and replacement checks did not match payment coupons).
- Ms. Rhoads recommends filing suit against: Bon Ayre, County Seat Gardens, and Changing Fates.

A motion was made and seconded to file suit against Bon Ayre, County Seat Gardens, Hecker Properties, Sussex Manor, Kamm Properties, and Changing Fates. The motion passed 4-0.

VI. Pine Haven Public Comments:

- After the legal counsel report, Mr. Crane went off the agenda to discuss Pine Haven Change in Use. A large number of residents were in attendance and they were told that they didn't have to sit through the meeting until this issue was discussed, they could leave after Pine Haven change in use was addressed.
- Mr. Sutton provided an update on Pine Haven's status. At the last compliance investigator visit to Pine Haven, there were 34 lots, 28 of which had homes that were occupied.
- Some of the homes were pre-HUD (built before 1976), and may not be eligible to be relocated
- The change in use notification was received by DEMHRA on February 24, 2023
- At least one person moved their home in August of 2022, six (6) months prior to the notification of a change in use so in accordance with Section 7024 of Title 25 Chapter 70, that person is not eligible for benefits.
- A new mover in Sussex County has been added to the list of certified mobile home movers.
- Since RVs were not previously covered under Chapter 70, DEMHRA must determine the amount of the relocation allowance, if any, they will be eligible to receive.
- Mr. Crane added that according to Title 25 Chapter 70 of the Delaware Code, any RV that can be driven off the property will not qualify for relocation assistance and that our job is to enforce and interpret the Code
- Relative to Pine Haven, Mr. Crane summarized the requirements for an RV/camper to be eligible for relocation assistance due to a change in land use.
- As the meeting opened for discussion from the residents, the concerns expressed included:
 1. Being confused by conflicting information they received from the new owner as to when to vacate
 2. Whether or not the community owner could decide if the home was relocatable
 3. Relocation Plans were not given to all residents
 4. They were told by the community owner that they would have to pay for appraisal fees

5. If RVs were classified as mobile homes, they wanted to know how to get the same benefits as the residents living in the mobile homes
 6. Eviction notices were placed under door mats instead of by certified or registered mail
 7. No one has contacted them to give them assistance
 8. There were several elderly residents needing relocation assistance who were not receiving any guidance or assistance on what to do
 9. One resident cannot relocate his RV because the previous owner, Dale Cohee, installed the electrical system wrong and now the RV cannot be moved.
- In answer to those questions and concerns, Mr. Crane instructed them to apply for relocation benefits and that a qualified mover would determine if the home could be move or not
 - State law does not require that eviction notices be sent by registered or certified mail
 - State law requires a one-year notice for a change in use and there is a process in place to for those eligible to be compensated
 - Mr. Crane suggested that they contact their State Representatives and Senators as a group to express their concerns and that their attorney could provide them with the necessary legal advice
 - Appraisals will be paid for by DEMHRA up to \$200.00.
 - Mr. Sutton will help anyone needing assistance in contacting a mover or an appraiser
 - February 28, 2024 is their actual deadline to vacate
 - Ms. Rhoads encouraged the residents to contact their attorneys for any legal questions
 - There may be zoning restrictions prohibiting RVs from being moved to some communities
 - Mr. Crane noted that his contact information, as well as that of the other board members can be found on the DEMHRA website.

VI. Approval of Financial Matters:

A. Recent Financial Activity & Report:

Mr. Sutton discussed the February Financial Report. It will be posted on the DEMHRA website.

B. Approval of Legal Counsel Invoice:

February legal counsel invoice in the amount of \$1,590.00

C. Other Invoices:

R. F. Book & Associates (Auditor) invoice in the amount of \$9,800.00

H.P. Printer invoice in the amount of \$167.26

A motion to approve the above invoices collectively was made and seconded. The motion carried 4-0.

VII. Reports

A. Compliance Matters (Executive Director):

1. Compliance Investigator Report

Mr. Sutton advised the Board that a compliance investigator was sent to Pine Haven and counted 16 RVs,

2. Community Owner Registration Update:

All communities not returning forms were audited by our Compliance Investigators, so we are up to date. Mr. Crane requested a count of how many forms were not returned by the communities and had to be audited by our compliance investigator. We will provide this information at the next meeting.

3. Delinquent Parks Report

Parks that are now 2 quarters late: Countryside Hamlet, Dackerg MHP, J&J MHP, Kelly's MHP, Kings Cliffe MHP, Naaman's MHP

A motion to sue was made and seconded to begin legal action on the above parks. The motion carried 4-0.

B. Arbitration:

1. Update on Status of Open Dockets:

04-2019 Wild Meadows – Waiting for a decision

- 04-2020 Wild Meadows – Decision within the next 90 days.
- 01-2021 Shady Park – Arbitrator decision upheld. HOA appealing to Supreme Court
- 02-2021 Ridgewood Manor – Awaiting a decision
- 03-2021 Canterbury Crossing – Awaiting a decision
- 04-2021 Pot Nets Lakeside – Briefings scheduled for end of this summer

2. Arbitrator Costs

No new costs incurred

VIII. Unfinished Business:

A. Update on Parks for Sale:

- Bay City – No change
- Country Acres – No change
- Silver Oaks – No change

B. Update on Parks Going Through Change in Use:

1. Timberlane – No new applications for approval
2. Lynch’s MHP – Two applications submitted for approval
3. Pine Haven – Previously discussed

C. Approval of Applications

Lynch’s MHP:

Michael & Karen Elzey, 106 Lynch Road, Milford, DE 19963

Relocatable payment for single-wide in the amount of \$12,000 to be paid to Marshall Bailey Contracting, Inc. after home has been moved

Letitia Rockwell , 74 Lynch Road, Milford, DE 19963

Relocatable payment for single-wide in the amount of \$12,000 to be paid to Marshall Bailey Contracting, Inc. after home has been moved

A motion was made and seconded to approve the above applications pending return of waiver letters. The motion carried 4:0.

IX. New Business:

A. Renewal of State Street Office Lease:

Our 3-year lease ends on April 30, 2023. The new 3-year lease starts at \$1,600.00 with a 3% increase each year thereafter for the next 3 years. A motion was made and seconded to approve the new lease. The motion carried 4-0.

B. Determining Relocation Assistance for R.V.’s:

The Board could not determine how much to allow for relocation assistance. Mr. Sutton suggested contacting an RV dealership for an appraisal or the Board could recommend an amount keeping in mind the maximum allowance for a single-wide of \$12,000.00. Mr. Crane suggested that the Board set a maximum and require the resident to get an estimate from an RV dealership for comparison, stating that the amount could always be changed. Mr. Meldrum recommended that the Board get Mr. Stine’s professional opinion. A motion was made and seconded to set a maximum benefit at \$12,000.00 contingent upon appraisals and/or valuations from an RV dealership and Mr. Strine. The motion carried 4-0.

C. Policies & Procedures Updates:

Mr. Sutton explained the Policies and Procedures that were updated and the effective date of the updates.

D. 2021-2022 R. F. Book & Associates Audit:

The FYE 2021-2022 audit booklet was given to each board member in attendance.

E. CPI-U:

The latest CPI-U is 7.130% with an effective date of March 14, 2014. It has been posted on the website.

F. Donovan Smith MOU

A copy of the MOU was given to every board member. The MOU requires Donovan Smith to submit a copy of all of their certified rent increases to the Lewes Board of Public Works (BPW)

G. Twin Maples MHP Delinquent Payments:

Mr. Sutton received a call from the owner stating that she would settle her account when she returned from Florida the end of April. He instructed her to contact Christine Hambleton at the Division of Revenue upon her return.

X. Public Comments:

XI. Executive Session:

A motion was made and seconded to go into Executive Session to discuss legal issues at 3:09 p.m. The motion carried 4-0.

XII. Next Meeting

The next meeting will be held on Thursday, May 11, 2023 at 1:30 P.M.

XII. Adjournment

The meeting was adjourned at 3:09 p.m.

Respectfully submitted,

Gregory Sutton
Executive Director

Pursuant to 29 Del. Code Section 10004(e)(2), this Agenda may be changed to include additional items (including executive sessions) or the deletion of items (including executive sessions) which arise at the time of the Authority's meeting

